

January 19, 2017

Dear Detroit Legal News Company Shareholder,

Best wishes for a wonderful 2017. Since this is not an election year, we expect our printing division to have a slower year than 2016. This follows the pattern we've seen for quite a few years. Notice volumes are remaining soft indicating a difficult year for the newspaper side of the business. We do expect improvements in 2018 and we are well positioned to move through 2017.

The 2016 unaudited results are on the reverse side of this letter. The negative loss is entirely because of the impaired goodwill write off that I've mentioned in my 2016 communications. Please recall that this is a non-cash write off and our balance sheet remains strong. The printing division performed very well through the 2016 election year.

At last month's Board of Directors meeting, we discussed dividends, cash reserves and future cash needs in depth. Because of the strength of the balance sheet, the Board determined that it would pay a \$2.00 per share 2016 fourth quarter dividend in addition to a special dividend of \$45.00 to shareholders of record as of January 10, 2017. Your check for the combined \$47.00 per share is enclosed.

Please feel free to contact me with any questions or comments.

Sincerely,

Bradley L. Thompson II
Chairman

SELECTED FINANCIAL DATA
FOURTH QUARTER, 2016
(UNAUDITED)

	<u>2016</u>	<u>2015</u>
SALES	19,318,383	18,272,103
COST OF SALES	<u>10,435,114</u>	<u>9,691,113</u>
GROSS PROFIT	8,883,269	8,580,990
SELLING G AND A	<u>7,290,885</u>	<u>6,421,868</u>
OPERATING PROFIT	1,592,384	2,159,122
GAIN ON SALE OF BUILDING	-	1,119,400
GOODWILL IMPAIRMENT	(5,492,000)	-
OTHER INCOME	<u>218,678</u>	<u>186,438</u>
INCOME BEFORE TAX	(3,680,938)	3,464,960
INCOME TAX EXPENSE	<u>(117,000)</u>	<u>917,000</u>
NET INCOME	(3,563,938)	2,547,960
NONCONTROLLING INTEREST	<u>(2,089,643)</u>	<u>(1,085,464)</u>
NET INCOME DLN	<u>(1,474,295)</u>	<u>1,462,496</u>
 EARNINGS PER SHARE	 \$(39.05)	 \$38.74

NOTE: The summary above is not a complete income statement. The summary above is unaudited and subject to adjustment. Unaudited financial statements are not subject to testing by independent certified public accountants and do not include the notes that are part of audited financial statements.

This communication does not include all the material information that a reasonable investor would want to know in connection with the purchase or sale of the Company's securities.

Note Regarding Forward-Looking Statements: Some of the statements and assumptions in this communication may be considered forward-looking statements. Important factors could cause actual results to differ, possibly materially, from those in the forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by which, such performance or results will be achieved. Forward-looking information is based on information available at the time and/or management's good faith belief with respect to future events, and is subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in the statements.